

CENTRAL ELECTRICITY REGULATORY COMMISSION

PETITION No. 124/MP/2011

Sub: Petition under Section 79 (1) (f) read with Regulation 26 of Central Electricity Regulatory Commission (Short term Open Access in inter-State transmission) Regulations, 2008.

Date of hearing : 20.12.2011

Coram : Dr. Pramod Deo, Chairperson
Shri S. Jayaraman, Member

Petitioner : Shamanur Sugars Limited, Bangalore

Respondents : Karnataka Power Transmission Corporation Limited, Bangalore
Karnataka State Load Despatch Centre, Bangalore

Parties present : Shri Sanjay Sen, Advocate for the petitioner
Shri T.R.Venkta Subramanian, Advocate for the Respondents

RECORD OF PROCEEDINGS

This petition has been filed by the petitioner seeking direction that clause (m) introduced as the additional condition in the standing clearance issued by the Respondent No. 2 is contrary to the Central Electricity Regulatory Commission (Short Term Open Access in Inter-State Transmission) Regulations, 2008 (Open access regulations) and Central Electricity Regulatory Commission (Unscheduled inter-change and related matters) Regulations, 2009 (UI Regulations)

2. The learned counsel for the petitioner submitted that in terms of PPA dated 7.3.1998, the petitioner was selling the surplus power from its co-generation bagass based plant to Respondent No. 1 from September 1999 till September 2009. After the PPA came to an end in the month of September 2009, the petitioner has been selling its excess power through

bilateral sale or through Power Exchanges to consumers outside Karnataka. Accordingly, the petitioner has been availing standing clearance/No objection Certificate from Respondent No. 2 from September 2009 till 31.3.2010. The learned counsel for petitioner further submitted that the Standing Clearance/No objection certificate issued by Respondent No. 2 for the month of March 2010 contained the following clause:

"For any excess generation, the rates fixed by KERC for old plants only be paid and not as per UI rates. However, for shortfall in generation as compared to the scheduled generation, the firm will have to pay the UI rates."

3. Referring to the reply of respondent, learned counsel for the petitioner submitted that there is no evidence for gaming and the respondent has inserted the clauses in the public interest which cannot be contrary to the open access regulations. He submitted that in terms of Regulation 20 (5) of the open access regulations, unless specified otherwise by the concerned State Commission, UI rate entity are 105% (for over-drawals or under generation) and 95% (for under drawals or over drawals) of UI rate at the periphery of regional entity.

4. The learned counsel for the respondents submitted that in terms of Section 32 of the Electricity Act, 2003, the State Load Despatch Centre being a apex body to ensure integrated operation of the power system in a State is responsible for carrying out real time operation for grid control and despatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code. The petitioner is a bagass based generating company and there are large variations in the actual generation from the schedule and to control same, the said additional clause has been inserted.

5. In response to query of the Commission as to whether the State has implemented Availability Based Tariff (ABT), the learned counsel replied in the negative. The Commission directed the respondent to file an affidavit as to under which provision of the regulations additional clause has been inserted and whether the Karnataka State Electricity Regulatory Commission has framed such regulations.

6. The Commission directed the respondent to file the necessary affidavit, latest by 6.1.2012, with an advance copy to the petitioner who may file its rejoinder, if any, by 19.1.2012.

7. Subject to above, the order was reserved.

Sd/-
(T. Rout)
Joint Chief (Law)